

## Message Text

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12

ACTION IO-10

INFO OCT-01 ARA-10 EUR-12 ISO-00 FTC-01 JUSE-00 AID-05

CIAE-00 COME-00 EB-07 FRB-01 INR-07 NSAE-00 USIA-15

TRSE-00 XMB-04 OPIC-06 SP-02 CIEP-02 LAB-04 SIL-01

OMB-01 NSC-05 SS-15 STR-04 CEA-01 OIC-02 L-02 OES-05

/123 W

----- 110124

P R 130230Z MAY 75

FM AMEMBASSY PORT OF SPAIN

TO SECSTATE WASHDC PRIORITY 7758

INFO AMEMBAZRSY SANTIAGO

AMEMBASSY BRASILIA

AMEMBASSY PARIS

AMEMBASSY LONDON

AMEMBASSY QUITO

USMISSION USUN

UNCLAS SECTION 1 OF 2 PORT OF SPAIN 1134

E.O. 11652: N/A

TAGS: ECLA

SUBJ: ECLA PLENARY MEETING-MAY 12

### 1. BRAZIL

LUIZ VILLARINHO PEDROSO, ADVISER, BRAZILIAN EMBASSY, CARACAS, BEGAN HIS PRESENTATION WITH A DISCUSSION OF THE ECONOMIC CRISIS IN LATIN AMERICA WHICH STEMMED FROM A TRINITY OF PROBLEMS: A) WORLD INFLATION, B) MONETARY INSTABILITY AND C) THE ENERGY CRISIS. HE WAS CAREFUL TO AVOID CRITICIZING PETROLEUM PRICES WHICH, HE SAID, HAD FOR YEARS BEEN MAINTAINED AT AN ARTIFICIALLY LOW LEVEL. THE RECENT FALL IN RAW MATERIAL PRICES (EXCEPT OIL) WAS ALSO A SERIOUS PROBLEM FOR THE AREA.

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### 2. HE SPOKE EXTENSIVELY OF TRANSNATIONAL ENTERPRISES

(TNE'S). ALTHOUGH EXCESSIVE GROWTH OF TNE'S COULD BRING PROBLEMS, A COUNTRY SHOULD TAKE ADVANTAGE OF THE BENEFITS SUCH ENTERPRISES OFFER. BRAZIL'S APPROACH TO THE PROBLEM IS TO PROVIDE COMPENSATORY ASSISTANCE TO DOMESTIC ENTERPRISES. THE BRAZILIAN DEVELOPMENT BANK, WITH VERY LARGE RESOURCES, WAS EXTENSIVELY USED FOR THIS PURPOSE. BRAZIL WISHED TO HAVE ACCESS TO ALL TYPES OF TECHNOLOGY WITHIN THE COUNTRY.

3. A SUBSTANTIAL PART OF HIS PRESENTATION WAS IN REPLY TO COMMENTS WHICH THE CUBAN DELEGATE HAD MADE ABOUT BRAZIL LAST WEEK--AN ATTACK WHICH, HE SAID, DAMAGED THE "SPIRIT OF BOGOTA".

4. FRANCE  
GABRIEL LISETTE, PERMREP TO ECLA, IN A RAMBLING DISCOURSE, SAID 1) REFORM OF THE MONETARY SYSTEM MUST TAKE INTO ACCOUNT THE ASPIRATIONS OF DEVELOPING COUNTRIES, 2) RAW MATERIAL PRODUCERS REQUIRE STABLE EARNINGS AT A "JUST LEVEL", FOR WHICH PURPOSE BUFFER STOCKS AND THE INTEGRATED PROGRAM OF UNCTAD ARE IMPORTANT, 3) LOME CONVENTION PROVIDED NEW GUIDELINES AND 4) LATIN AMERICA SHOULD ACCELERATE INTEGRATION, PARTICULARLY IN THE INDUSTRIAL FIELD.

5. TRINIDAD AND TOBAGO  
MINISTER OF FINANCE G.M. CHAMBERS SAID HE WANTED TO EMPHASIZE THE IMPORTANCE OF COMMODITY AGREEMENTS, POINTING OUT THAT THERE WAS NONE CURRENTLY IN EFFECT; HE ALSO STRESSED INDEXATION, FORMATION OF PRODUCERS ASSOCIATIONS AND BUFFER STOCKS.

6. WITH RESPECT TO THE TRANSFER OF DEVELOPMENT RESOURCES, TRINIDAD OBJECTED STRONGLY TO DISCRIMINATORY TREATMENT BY AN INTERNATIONAL LENDING AGENCY BECAUSE OF HER OIL EXPORTS ("HOW WILL BE NEXT ON THE SACRIFICIAL ALTAR?--THE SMALL PRODUCER OF TIN?--THE SMALL PRODUCER OF BAUXITE?")

7. TRANSNATIONAL ENTERPRISES HAVE NOT HAD SUFFICIENT REGULATION. LATIN AMERICAN SHOULD ESTABLISH ITS OWN CENTER TO MONITOR TNE'S WHICH WOULD COOPERATE WITH OTHER UNCLASSIFIED

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EFFORTS IN THIS FIELD. TNE'S HAVE NOT BROUGHT ABOUT SIGNIFICANT IMPROVEMENT IN JOB OPPORTUNITIES OR IN COUNTRY CAPACITY TO MANAGE RESOURCES.

8. UNITED KINGDOM  
HIGH COMMISSIONER TO TRINIDAD C. E. DIGGINS GAVE AN EXTENSIVE REPORT ON THE ASSISTANCE WHICH HIS GOVERNMENT WAS EXTENDING TO THE U.K. DEPENDENCIES IN THE CARIBBEAN. WITH

RESPECT TO THE CARIBBEAN COUNCIL THAT HAD BEEN PROPOSED, HE SAID THAT IF SUCH A COUNCIL WERE ESTABLISHED WITHIN ECLA, THE U.K. WISHED TO PARTICIPATE AS IT BELIEVED IT COULD MAKE A SUBSTANTIAL CONTRIBUTION.

9. ON TRANSNATIONAL ENTERPRISES (TNE'S) THE U.K. HAD WELCOMED CREATION OF THE UNITED NATIONS COMMISSION ON WHICH IT HAD A SEAT. AN INFORMATION AND RESEARCH CENTER HAD A ROLE TO PLAY, BUT HE DID NOT COMMIT HIMSELF ON ESTABLISHMENT OF A LATIN AMERICAN UNIT TO MONITOR TNE'S.

10. WITH RESPECT TO THE INTERNATIONAL DEVELOPMENT STRATEGY, EXISTING RELATIONSHIPS WITH THE DEVELOPING COUNTRIES SHOULD BE CHANGED. GUIDELINES FOR TRTREATMENT OF COMMODITY PROBLEMS WERE SET FORTH BY PRIME MINISTER WILSON IN HIS RECENT SPEECH AT THE COMMONWEALTH CONFERENCE IN JAMAICA, IN WHICH HE STATED THAT WE SHOULD TAKE AS AN OBJECTIVE A GENERAL AGREEMENT ON COMMODITIES WHICH WOULD SERVE TO COMPLEMENT THE GATT.

11. ECUADOR  
PEDRO AGUAYO, PRESIDENT, NATIONAL PLANNING BOARD, SAID THAT HIS GOVERNMENT WAS DETERMINED TO STRESS ACTIONS IN THE SOCIAL FIELD (EDUCATION, HEALTH AND NUTRITION) WITHIN THE STRATEGY THAT HAD BEEN DEVELOPED FOR THE 1972-77 ECONOMIC DEVELOPMENT PLAN. THEY WERE JUST BECOMING AWARE OF THE HUGE RESOURCES THAT WERE NEEDED. HE ALSO EXPRESSED THE RIGHT WHICH HIS GOVERNMENT FELT IT HAD AS AN OPEC MEMBER TO ESTABLISH REMUNERATIVE EXPORT PRICES.

12. GRENADA, COLOMBIA, BARBADOS, BELIZE, AS WELL AS REPRESENTATIVES OF EEC, UNIDO, IDB, LAFTA, SIECA, GATT, ICEM, AND WORLD FEDERATION OF TRADE UNIONS, ALSO UNCLASSIFIED

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READ STATEMENTS, NONE OF WHICH INTRODUCED SIGNIFICANT NEW INPUT TO THE CONFERENCE DISCUSSION. GRENADIAN SENATOR DEREK KNIGHT REPEATED RECENT CHARGES MADE AGAINST U.K. IN KINGSTON AND PORT OF SPAIN BY PM ERIC GAIRY. UKDEL DID NOT REPLY. BELIZE PREMIER GEORGE PRICE SAID HIS PEOPLE ARE INNOCENT VICTIMS OF UNACCEPTABLE TERRITORIAL CLAIM BY A NEIGHBOR AND THEY HOPE MIGHT IS NOT RIGHT ON THIS ISSUE. ESCOBAR OF IBRD STRESSED THE NEED FOR INCREASING THE FLOW OF FINANCIAL RESOURCES TO LATIN AMERICA FOR THE PERIOD 1975-76 ABOVE THE LEVEL PRESENTLY PROJECTED. HE WELCOMED THE PROPOSED "SAFETY NET" AS A SOURCE OF ADDITIONAL INPUT.

13. COMMITTEE ONE RESOLUTIONS  
(A) CHAGUARAMAS EVALUATION OF THE INTERNATIONAL

DEVELOPMENT STRATEGY, BASED ON THE REPORT OF THE  
COMMITTEE OF HIGH-LEVEL GOVERNMENT EXPERTS, MEETING  
IN BOGOTA, COLOMBIA, MARCH 11-15, 1975. AMBASSADOR WHITE  
REQUESTED A VOTE ON THE RESOLUTION AND ALSO REQUESTED THAT  
THE U.S. BE SHOWN AS OPPOSING THE RESOLUTION. THE VOTE:  
22 IN FAVOR, 1 (U.S.) OPPOSED. (CANADIANS, WHO HAD ABSTAINED  
IN COMMITTEE, EXPLAINED TO US AFTERWARD THAT SINCE  
THEIR RESERVATIONS WERE INCLUDED IN REPORT, THEY FELT THEY  
COULD VOTE FOR REPORT.)  
(B) "IMMEDIATE BALANCE-OF-PAYMENTS PROBLEMS AND  
POSSIBLE SOLUTIONS TO THEM". (PORT OF SPAIN 1098). THE  
USDEL REQUESTED THAT NUMBERED PARAGRAPH 4 BE AMENDED  
TO ADD "INTER ALIA" AFTER "GOVERNMENTAL ORGANIZATIONS"  
AND TO ADD "AND PARIS" AFTER "BRUSSELS".  
THE U.K. DELEGATE SAID HE AWAITED INSTRUCTIONS FROM

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INFO OCT-01 ARA-10 EUR-12 ISO-00 AID-05 CIAE-00 COME-00

EB-07 FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04

OPIC-06 SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 FTC-01

JUSE-00 NSC-05 SS-15 STR-04 CEA-01 OIC-02 L-02 OES-05

/123 W  
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P R 130230Z MAY 75  
FM AMEMBASSY PORT OF SPAIN  
TO SECSTATE WASHDC PRIORITY 7759  
INFO AMEMBASSY SANTIAGO  
AMEMBASSY BRASILIA  
AMEMBASSY PARIS  
AMEMBASSY LONDON  
AMEMBASSY QUITO  
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LONDON. CANADA AND FRANCE STATED THEIR SUPPORT OF

THE RESOLUTION, WHICH WAS THEN ADOPTED UNANIMOUSLY.  
(THE USDEL STATED THAT THE US SUPPORTED THE  
RESOLUTION BUT WITHOUT PREJUDICE AS TO WHETHER A SAFETY  
NET IS NEEDED OR WHETHER THE U.S. WOULD PROVIDE FINANCING.)  
(C) TRANSNATIONAL CORPORATIONS INTRODUCED BY  
TRINIDAD AND TOBAGO, RECOMMEND "TO THE COMMISSION ON  
TRANSNATIONAL CORPORATION THROUGH THE ECONOMIC AND SOCIAL  
COUNCIL THAT IN THE FUTURE WORK OF THE UN INFORMATION  
AND RESEARCH CENTER ON TRANSNATIONAL CORPORATIONS,  
A REGIONAL UNIT BE ESTABLISHED IN THE LATIN AMERICAN REGION  
FOR THE SURVEILLANCE OF TRANSNATIONAL CORPORATIONS IN  
THE REGION, UTILIZING FOR THIS PURPOSE THE FACILITIES  
OF THE REGIONAL ECONOMIC COMMISSION FOR LATIN AMERICA."  
AMBASSADOR WHITE STATED THAT THE U.S. WOULD OPPOSE THE  
RESOLUTION CITING: (I) THE PREAMBULUR PARAGRAPHS ASCRIBE TO  
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TNC'S AN IMAGE WE DO NOT CONSIDER ACCURATE,  
(II) THE UN CENTER HAS NOT YET BEGAN ITS WORK AND (III)  
THE WORD "SURVEILLANCE" GOES BEYOND SCOPE OF UN CENTER.  
THE VOTE: FOR-20, OPPOSED-1(U.S.), ABSTAINING-3 (FRANCE, UK,  
CANADA).

(D) APPLICATION OF SCIENCE AND TECHNOLOGY TO DEVELOPMENT,  
INTRODUCED BY TRINIDAD RECOMMENDS "TO THE UNITED NATIONS  
UNIVERSITY COUNCIL THAT THE QUESTION OF THE LEVEL OF  
TECHNOLOGY IN DEVELOPING COUNTRIES, ITS TRANSFER AND  
THE DEVELOPMENT OF AN INDIGENOUS TECHNOLOGY  
APPROPRIATE TO THE DEVELOPING COUNTRIES SHOULD BE  
ASSIGNED A VERY HIGH PRIORITY IN THE WORK PROGRAM  
OF THE UNITED NATIONS UNIVERISTY IN ASSOCIATION WITH  
THE UNIVERSITIES AND RESEARCH INSTITUTIONS OF MEMBER  
STATES. "MEXICO REQUESTED THAT THE TITLE BE AMENDED  
TO "ACTIVITIES OF THE UNIVERSITY OF THE UNITED NATIONS  
IN RELATION TO THE APPLICATION OF SCIENCE AND  
TECHNOLOGY TO DEVELOPMENT." THE RESOLUTION WAS ADOPTED  
BY CONSENSUS.  
MILLER

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## Message Attributes

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**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 MAY 1975  
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**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
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